

City of Detroit

CITY COUNCIL

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ANNE MARIE LANGAN
DEPUTY DIRECTOR
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TO: Pamela Scales, Director
Budget Department

FROM: Irvin Corley, Jr., Fiscal Analysis Director

DATE: May 1, 2008

RE: 2008-2009 Budget Analysis

24.

Attached is our budget analysis regarding your department's budget for the upcoming 2008-2009 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing on **Wednesday, May 7, 2008 at 1:30 p.m.** We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

IC:ss

Attachment

cc: Councilmembers
Council Divisions
Auditor General's Office
Norman White, Finance Department Director
Donna McAlister, Budget Manager
Kerwin Wimberly, Mayor's Office

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Budget Department (12)

FY 2008-2009 Budget Analysis by the Fiscal Analysis Division

Summary

The Budget Department is a General Fund Agency. The Mayor's 2008-2009 Proposed Budget includes appropriations of \$2,850,987, which is an increase of \$16,153 or 0.6% from fiscal year 2007-2008. The Department's net tax cost recommended for next year is \$2,850,987, \$16,153 more than the budgeted net tax cost for the current year.

2007-2008 Surplus/(Deficit)

The surplus for the Budget Department is \$108,332 for fiscal year 2007-2008. The surplus amount is derived from an appropriations surplus, as the Budget Department does not account for revenues, due to salary savings.

Overtime

The Mayor's 2008-2009 Proposed Budget includes overtime salaries of \$18,750, which is an increase of \$3,750 or 25.0% from fiscal year 2007-2008. As of March 31, 2008, the Budget Department has spent \$11,579 in overtime.

Personnel and Turnover Savings

There are no projected personnel or turnover savings for this department.

<u>Appropriation/Program</u>	<u>Redbook Positions FY 2007-08</u>	<u>Filled Positions 3/31/2008</u>	<u>Mayor's Budget Positions FY 2008-09</u>	<u>Over/(Under) Actual to 07/08 Budget</u>	<u>Mayor's Recommended Turnover</u>
Budget (12):					
00226 Budget Department Operations	<u>23</u>	<u>22</u>	<u>24</u>	<u>(1)</u>	<u>\$ _____ -</u>
TOTAL	<u>23</u>	<u>22</u>	<u>24</u>	<u>(1)</u>	<u>\$ _____ -</u>

Proposed Layoffs and Position Changes

The Mayor's 2008-2009 Proposed Budget recommends an increase of one full-time employee in the Budget department.

Significant Funding by Appropriation

<u>Appro.</u>	<u>Program</u>	
00226	Budget Department Operations	The Mayor's 2008-2009 Proposed Budget is \$2,850,987 for appropriations. This reflects an increase of \$16,153 or 0.6% from the 2007-2008 Budget of \$2,834,834.

Budget (12)

Budgeted Professional and Contractual Services by Activity	FY 2007-08 <u>Budget</u>	FY 2008-09 <u>Recommended</u>	Increase <u>(Decrease)</u>
Budget Operations	\$ 5,000	\$ 5,000	\$ -
Total	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ -</u>

Issues and Questions

1. On page 12-2 concerning Major Initiatives on page, how will the realignment of Budget and Management Information staff better improve the efficiency of budget development, the processing of travel reimbursements for our city employees, and telephone payments to our vendors?
2. Page 12-2 states that Budget staff continues to monitor costs more aggressively. What procedures have been implemented to ensure costs are monitored more aggressively?
3. The Budget Department states that it plans to switch from BRASS (Budget Reporting and Analysis Support System) to Oracle Public Sector Budgeting (PSB). What is the estimated cost of the transition from BRASS to PSB?
4. Concerning the above question, what is the estimated timeframe to have the PSB system operational?
5. In regards to question three, who will train staff before implementing the PSB program?
6. Why is the PSB Program more functional than BRASS?